



# Bureau of TennCare

## IS Policy Manual

**Last Revised--9/1/06**

<b>Policy No:</b> BTC-Pol-Enc-200608-001	
<b>Subject:</b> Void and Replacement Encounter Submission	
<b>Approval:</b> Encounter Policy Workgroup	<b>Date:</b> 9/15/2006

**PURPOSE:** To clarify TennCare's position regarding the submission of void and replacement encounter transactions. This policy provides documentation guidelines to the Managed Care Contractors (MCCs) related to the submission of Void and Replacement encounter records.

**BACKGROUND INFORMATION:** The Bureau of TennCare is undergoing an initiative to review the submission of encounter data in order to improve the data integrity and to more accurately reflect claims adjudication and payments by the MCCs. The replacement of a denied claim encounter is causing inconsistency in the reporting of amounts paid by the MCCs.

### TENNCARE POLICY:

1. Void encounters (Frequency Code 8) must be submitted to void/cancel a previously submitted **paid** encounter.
  - a. Void encounters cannot be submitted for denied encounters and will not be accepted by TennCare. The process to resubmit a denied encounter is the submission of a new original encounter that may be paid or denied.
  - b. The void encounter will be used to cancel the original paid encounter within the TennCare system.
  - c. A void transaction always cancels the entire claim that was previously submitted.
  - d. Void and new original transactions must be submitted in the same financial cycle in which they are processed.

- e. The MCC ICN for 837-based claims being voided must be submitted in loop 2300, segment REF02 Claim Original Reference Number, as instructed in the appropriate TennCare HIPAA EDI Companion Guide.
  - f. The MCCs must submit the appropriate Adjustment Reason Code with each subsequent transaction (paid or denied) to identify a correction to a previous claim. Refer to the appropriate TennCare HIPAA EDI Companion Guide.
2. Replacement encounters (Frequency Code 7) will not be accepted by TennCare after September 15, 2006.
- a. The process to resubmit a paid encounter is the submission of a void encounter for the previously paid encounter plus the submission of a new original encounter that may be paid or denied.
  - b. File rejections will occur and Corrective Action Plans (CAPs) can be assessed in association with the submission of replacement encounters after the above date.

**POLICY EXCEPTIONS:**

None

**REFERENCE DOCUMENTS:**

TennCare HIPAA EDI Companion Guides  
HIPAA 837 Implementation Guides

**OFFICES OF PRIMARY RESPONSIBILITY:**

- TennCare IS Division—to ensure that encounters are submitted to TennCare in the approved format
- Information Systems Management Contractor – to process encounters through the TCMIS system
- MCCs - to follow transaction requirements